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SUBJECT: DEMARCHE TO ROMANIA ON BILATERAL TRADE AGREEMENT PRESERVATION - SIGNS OF AGREEMENT

REF: STATE 470

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- 11. (SBU) Econoff met with Elena Bistiu of the Ministry of Foreign Affairs' Office of Community Law on January 16 to deliver reftel demarche. Bistiu agreed that Romania was being treated differently by the Commission regarding its bilateral treaties, and was well aware of existing bilateral FCNs and other agreements addressing trade with older member states. She suggested that Romania feels somewhat less pressure on the issue now that it has passed the accession threshold. However, Bistiu suggested that the U.S. could assist Romania's discussions with the Commission by making the same demarche in Brussels.
- 12. (SBU) Revisiting the GOR proposed Economic Cooperation Agreement, Bistiu commented that experts in the MFA and Ministry of Economy had identified much of the text of the BTA as redundant given Romania's new EU status. She asked whether the U.S. would consider proposing language on substantive matters (e.g. IPR and transparency) for inclusion in a new Agreement. Econoff stressed that redundant and incompatible were two different issues; redundancy should not pose a problem. Further, the U.S. does not view language regarding WTO principles, etc., as redundant, but rather as reaffirming. Econoff thanked Bistiu for GOR efforts on the Economic Cooperation Agreement, but stressed that we are not entertaining the thought of a BTA replacement. While the GOR would like to keep the BTA as well, an official response will come only after Office Director Ian Galea returns from leave on January 26, Bistiu said.
- 13. (SBU) On the 1976 Long-Term Industrial, Economic, and Technical Cooperation Agreement, Bistiu thanked the U.S. for sharing the GOR opinion that the document is out of date. While the GOR did not wish to terminate the Agreement unilaterally without consulting the U.S., they will now proceed with a diplomatic note of intent to terminate.

TAUBMAN